



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)

No. G04-84

The Qualifying Financial Examination of)
TIMBER PRODUCTS MANUFACTURERS)
TRUST)

FINDINGS, CONCLUSIONS,
AND ORDER ADOPTING REPORT
OF
FINANCIAL EXAMINATION

A Proposed Domestic Self-Funded
Multiple Employer Welfare Arrangement. _____

BACKGROUND

An examination of the financial condition of **TIMBER PRODUCTS MANUFACTURERS TRUST** (the Trust) as of August 31, 2004, was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). The Trust has applied for a Washington certificate of registration as a self-funded multiple employer welfare arrangement. This examination was conducted in compliance with the laws and regulations of the state of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the OIC.

The examination report with the findings, instructions, and comments and recommendations was transmitted to the Trust for its comments on November 10, 2004. The Trust's response to the draft report is attached to this order only for the purpose of providing convenient review of the response.

The Commissioner or a designee has considered the report, the relevant portions of the examiners work papers, and submissions by the Trust.

FINDINGS

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 2 through 6 of the report.

TIMBER PRODUCTS MANUFACTURERS TRUST
Order Adopting Examination Report
December 14, 2004

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CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of **TIMBER PRODUCTS MANUFACTURERS TRUST**.

ORDER

The examination report as filed, attached hereto as Exhibit A, and incorporated by reference, is hereby ADOPTED as the final examination report.

ENTERED at Tumwater, Washington, this 14th day of December, 2004.

A handwritten signature in black ink, appearing to read "Mike Kreidler", is written over the printed name.

MIKE KREIDLER
Insurance Commissioner



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INSURANCE COMMISSIONER
COMPANY SUPERVISION

November 16, 2004

James T. Odiorne, CPA, JD
Deputy Insurance Commissioner
Company Supervision Division
WA Office of the Insurance Commissioner
PO Box 40259
Olympia, WA 98504-0259

Re: Qualifying Examination Report as of August 31, 2004 Timber Products Manufacturers Trust

Dear Mr. Odiorne:

This letter is in response to your November 10, 2004 letter and transmits our comments on the draft qualifying examination report.

Page	Section	Comments						
3	Board of Directors	Strike (Trustees). All TPM Directors are not Trustees.						
3	Board of Directors	The <u>elected Directors</u> (not Trustees) serving as of Fiscal Years 2003-2005 and their respective affiliations are as follows:						
4	Board of Directors	Add the following names to the listing of Directors. <table><tr><th>Name</th><th>Affiliation</th></tr><tr><td>Jeff Bosma, <i>President</i></td><td>Fast Way Freight Systems, Inc.</td></tr><tr><td>Roger Claridge, <i>President</i></td><td>Thompson River Lumber Company</td></tr></table>	Name	Affiliation	Jeff Bosma, <i>President</i>	Fast Way Freight Systems, Inc.	Roger Claridge, <i>President</i>	Thompson River Lumber Company
Name	Affiliation							
Jeff Bosma, <i>President</i>	Fast Way Freight Systems, Inc.							
Roger Claridge, <i>President</i>	Thompson River Lumber Company							
4	Board of Directors	There were twelve elected Directors (not ten active Trustees) and one vacancy (not three vacancies) as of September 17, 2004.						

November 16, 2004
James T. Odiorne, CPA, JD
Page 2

Page	Section	Comments																		
4	Add new section "Trustees"	The Trustees serving as of August 31, 2004 and their respective affiliations are as follows:																		
		<table><tr><th>Name</th><th>Affiliation</th></tr><tr><td>Loren Rose, <i>Chairman</i></td><td>Pyramid Mountain Lumber, Inc.</td></tr><tr><td>Dick Molenda, <i>Vice-Chairman</i></td><td>Western Bee Supplies</td></tr><tr><td>Mike Clements</td><td>Intermountain-Orient, Inc.</td></tr><tr><td>Bill Clawson</td><td>Clawson Manufacturing Company</td></tr><tr><td>Ernie Schmidt</td><td>Wyoming Sawmills</td></tr><tr><td>Pat Marion</td><td>L.D. McFarland Company</td></tr><tr><td>Greg Lambert</td><td>Mid-Oregon Personnel Services, Inc.</td></tr><tr><td>Mike Badger</td><td>Badger Building Center</td></tr></table>	Name	Affiliation	Loren Rose, <i>Chairman</i>	Pyramid Mountain Lumber, Inc.	Dick Molenda, <i>Vice-Chairman</i>	Western Bee Supplies	Mike Clements	Intermountain-Orient, Inc.	Bill Clawson	Clawson Manufacturing Company	Ernie Schmidt	Wyoming Sawmills	Pat Marion	L.D. McFarland Company	Greg Lambert	Mid-Oregon Personnel Services, Inc.	Mike Badger	Badger Building Center
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Mike Badger	Badger Building Center																			

There were eight active Trustees and one Trustee vacancy as of September 17, 2004.

TPM hereby waives the statutory time period for adopting examinations.

Please contact me if you require any further information.

Sincerely,



Charles M. Fox
President